

RE: Proposed rule for home-based businesses.

Wait 7 days before registering as an IBO: There is no need for this since there is a money-back guarantee .

Solution: *Eliminate the waiting period*, at least for opportunities like Quixtar where a prospect can get his money back if not satisfied.

Disclose lawsuits for past 10 years: Receiving a list of lawsuits/accusations does not help a prospect discern the integrity or legitimacy of a company.

EXAMPLE: Walmart is defending itself against more lawsuits than any other corporation in the world. Would it benefit shoppers if Walmart were required to hand each shopper a volume containing the list of the 1000's of lawsuits for the past 10 years? No it would not. It would probably hurt Walmart in lost revenue AND could hurt the consumer in lost convenience, time and money. Among other problems, this requirement would open up Quixtar and other legitimate companies to false accusations. Meanwhile, dishonest companies would simply ignore the rule. The cost of keeping a current list, printing, distributing and monitoring would be many millions of dollars in cost passed on to the consumer with no identifiable benefit.

Solution: *Eliminate the requirement to disclose past litigation*

Give every prospect a list of 10 "references": This is unnecessary since a newly registered Quixtar business owner can get his money back if he/she is not happy. Also, giving out personal information on individuals would create many problems in the areas of privacy, identity theft, competition and general confusion and does little or nothing to protect prospects since dishonest "recruiters" will provide a list of pre-arranged references.

Solution: *Eliminate the requirement to provide 10 references.*

Make a different disclosure for every income claim: The paperwork, monitoring and legal exposure is deleterious to both presenter and prospect with no identifiable benefit.

Solution: If disclosures are needed, require a simple, standard, easily understood disclosure such as "average monthly gross income for 'active' IBOs."

General comment: There is an optimum level of govt. "protection" beyond which becomes govt. intrusion and even govt. obstruction (to the free enterprise system in this case). There are an estimated 13 million pages of laws microscopically governing every aspect of our lives in America. Hundreds of thousands of these laws already address and re-address the items in the FTC's proposed rule regarding home-based businesses. For the good of our free enterprise system, which has literally brought prosperity to the world, we should consider following the rule of law in place and not adding another bureaucratic layer to the weight crushing our economic system.

Solution: Look to existing law to resolve any problems that arise with home-based businesses